

**STRATEGIC LEADERSHIP AND PERFORMANCE OF MOBILE
TELECOMMUNICATION COMPANIES IN KENYA**

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ABSTRACT

This study sought to establish the role of strategic leadership on the performance of telecommunication companies in Kenya. Specifically, the study sought to establish the influence of employee empowerment, and ethical practices, on performance of telecommunication companies in Kenya. The study adopted a descriptive research design and will target 178 management staff in the four leading telecommunications companies (Safaricom Limited, Airtel Limited, Telkom Kenya and Equitel) in Kenya. The study selected the sample using the Krejcie and Morgan (1970) formula. The sample size was 123 respondents. The study used primary data collected using questionnaires. The questionnaires will be self-administered by the researcher using the drop and pic later technique. Data collected will be analyzed using SPSS where descriptive and inferential statistics will be computed. Descriptive statistics such as frequencies, percentage, means and standard deviations will be used to analyse the data. Multiple regressions will be done to establish the relationship between strategic leadership and performance of mobile telecommunications companies in Kenya. Data was presented using tables, and figures. The response rate of the study was 82.5%. The findings of the study indicated that employee empowerment, ethical practices, strategic intent and learning outcomes have a positive relationship with firm performance in the Safaricom limited Kenya. Finally, the study recommends that the organization should emphasize and prioritize on the empowerment of the employees because it is the most effective ways of helping employees to utilize their creative abilities and improve their performance within the organization.

Key Words: *Employee Empowerment, Ethical Practices, Strategic Leadership, Performance*

Background of the Study

Strategic leadership has gained considerable attention in research due to its implication on performance of business organizations. Various studies indicate that strategic leadership has an influence on employee behavior and commitment which in themselves impact on organizational performance. According to Pradhan and Pradhan, (2015), when these variables are combined, they can positively influence organizations performance.

Despite the importance of organizational performance, only few researchers have analyzed strategic leadership and its influence on desired outcomes in organisations (Kroll, 2016). In

Most studies, organization leadership has been identified as having the potential of enhancing organizational performance (Overall, 2015). Further, Strategic leadership is seen to support employee by revolutionizing performance of organizations (Pradhan & Pradhan, 2015).

Peterson *et al.*, (2019) states that strategic leaders help employees realize their potential by communicating visions and missions which improves self-confidence. Strategic leaders envision future organizations scenarios. Bain, (2015) asserts that through strategic leadership, followers adopt, generate and think out of the box. Strategic leaders stimulate employees and encourage them to think about problems in new ways.

Most times, strategic leaders shift their view point by being role models and showing confidence in employees' capabilities. Strategic leaders help to develop long-term goals and shift their focus from immediate and short-term solutions and objectives to long-term and fundamental solutions and objectives. According to De Jong (2013) strategic leadership creates an environment where employees are motivated and energized. Giroux and Mc Larney (2014) suggest that employees who are motivated and work in a supportive climate provide more effective customer service which reinforces performance of the organization which leads to financial gains for shareholders.

World class organizations are driven by strategic management practice in order to perform and achieve a competitive edge (Murimbika & Urban, 2016). Most of the global companies operating in the developed countries like United States, Germany, China and Russia have achieved their strategic goals by adopting strategic management practice. According to Rodríguez and Pedraja (2015), firms need to look inward for strategic opportunities and adopt strategic management practices that promote an entrepreneurial posture that simultaneously captures existing organizational competitive advantages while at the same time explore future needs that will ensure sustainable competitiveness.

Several studies have examined the relationship between strategic leadership and firm performance. In Austria for example, Dessert *et al.* (2015) found that transformational leadership increased creativity in followers' a computer-mediated brainstorming exercise. In this study, performance of the followers' was assessed in part based on the number of creative ideas generated. Further, in China, Xenikou, (2017) found a relationship between the intellectual stimulation provided by the leader and unit performance. Organisational performance was positive when there was a climate that supports innovation. However, when innovation support was absent, the positive relationship became insignificant. The findings provide an indirect support for the leader's role in inducing creativity.

In Africa As the strategic leadership practices becomes more turbulent, Tseng (2017) found that the most important issue the companies face is to use its strategic resources management that facilitate them to achieve strategic management practices and this contribute long-term profit to organizations. Strategic management practices considered to be a critical requirement for the growth and performance of organizations in Africa. Tidd (2017) specified that the capability to use strategic resources is ever more viewed as the single most vital factor in developing and supporting strategic management practices to increase firm's performance in Africa. According to Davila (2019) strategic management practices is a necessary ingredient for sustained success and is an integral part of the African businesses performance. Redknee (2015) specified that to support its growth and performance, African firms develop strategic management practices that enable service providers to generate higher revenue streams.

In Kenya, Mbithi *et al.*, (2016) in a study on the effect of Market Development Strategy on Performance in Sugar Industry in Kenya found that strategic leadership characteristics such as, hopeful influence, motivation intellectual encouragement and personal observations influence both organizational culture and performance. Further, Maingi (2018) indicates that strategic leadership encourages organizational commitment which in turn influences job satisfaction. This is achieved by leaders behaving in ways that pays attention to the needs of each follower, inspire and motivate their followers, ensuring a supportive organizational climate and encouraging a two-way communication in the organization.

Ogollah *et al.* (2016) researched on the relationship between leadership skills and proportions of women in top leadership positions established that strategic leadership is used in both public and private institutions significantly in Kenya. In addition, individualized charisma, intellectual stimulation, consideration and inspirational motivation were found to improve commitment of the employees and organizational performance. The findings are supported by Abasilim (2014) who argues that strategic leadership has a significant positive influence on organizational performance. According to Hancott (2014), inspirational motivation is when leaders encourage employees and enable them articulate their visions and take up ambitious goals. Intellectual stimulation is shown in leaders when they encourage their followers to be, innovative, take risks and challenge stable assumptions.

Mobile Telecommunication is a great contributor in economic development. It is also a very profitable industry therefore this study seeks to determine the challenges, opportunities and effective policies in this industry. In present business environment, there is stiff competition, also, the market is dynamic in nature, therefore, mobile telecommunication companies need to organizational policies for developing, managing and monitoring business and therefore ensure improved performance. To ensure great performance is produced, it's necessary to formulate and implement strategic leadership (Brenes, Mena & Molina, 2017). The growth of an organization is facilitated by strategic leadership; this is mainly because it ensures that internal operations of an organization are streamlined and stimulates access to opportunities and market; it also ensures that there is enhanced business-related efficiency, therefore increasing profitability and productivity (Horvits, 2015). The primary objective of mobile telecommunication companies is to provide mobile communication services to customers and subscriber's growth which overtime leads to profitability. This study seeks to establish the role of strategic leadership on performance of mobile telecommunications companies in Kenya.

Statement of the Problem

The telecommunication industry in Kenya, just like in the rest of the world is going through profound changes. According to the Price Waterhouse Coopers Kenya (PWC) report for (2015), the past decade has witnessed massive technological advancement and regulatory restructuring in the telecommunication sector. The changes in technology and regulatory framework in the industry have resulted in increased competition among service providers who have resorted to innovation to ensure that they continue to hold on to their market share.

Chacha, (2010) carried out research on the resource based view theory at Safaricom limited and established that the company enjoys competitive advantage in the mobile industry because of its strategic approach towards the competitive market through research and development. He concluded that both human and technological resources are important in the performance of Safaricom Limited. Further studies carried out at Telkom Kenya have noted

that growth strategies that are adopted by the firm have not had a positive impact on its business, financial and managerial performance.

In an empirical analysis of the determinates on non-profitability margins at Telkom Kenya carried out by Oloko et al (2014), the study concluded that the effect of strong competition experienced from the regional mobile industry resulted to loss of subscribers to other mobile operators. The company therefore experienced low revenues which had a direct bearing on the profitability margins. Further, YU mobile, a telecommunication company that was owned by Indian Essar Telkom exited the Kenyan mobile phone market in 2014 due of stiff competition from other providers.

The dynamic competitive environment in the mobile telecommunication industry establishes an ever present research gap on the strategies adopted by the firms in the industry in order to maintain and sustain their performance. Further, the various studies carried out in the industry have mainly concentrated on the influence of strategic innovation, grand strategies, and marketing strategies and their effects on firm performance. Limited studies have therefore been carried out to assess the influence of strategic leadership on the performance of the mobile telecommunication firms. This raises questions on how strategic leadership affects performance. It is on this basis that this study seeks to establish role of strategic leadership on firm performance.

Research Objectives

- i. To evaluate the influence of employee empowerment on performance of mobile telecommunications companies in Kenya.
- ii. To evaluate the influence of ethical practices on performance of mobile telecommunications companies in Kenya

LITERATURE REVIEW

Theoretical Review

Transformational Leadership Theory

The theory was introduced by James McGregor, 1978 in his book on leadership. He stated that transformational leadership is a process where leaders and followers raise one another to high levels of morality and motivation. This is important to organizations because it helps in transforming group members into individuals who then transcend beyond self- actualization and their self-interest for the sake of organization or group. The leader nurtures his followers' moral development to internalize the values and principles. According to McGregor, (1978), transformational leadership changes aspiration and expectations of employees by redesigning principles and values through significant changes in employees and organizations.

The theory contributes to this study in terms of how the leader affects followers through trust, admiration and respect. In other words, transformational leadership gets employees to want to change, and to improve. Transformational leadership assesses associates, motives, satisfying their needs, and valuing them. All factors are important when arguing out as to what is the most critical factor which affects transformational leadership. There needs to be an understanding of how these factors contribute towards influencing the performance of an organization. Riggio and Conger, (2007), state that leadership involves learning how to communicate in ways that other people can follow through learning.

Roles are changed when the leader and follower change roles which creates a relationship put in place to do right Judge and Piccolo, (2004).Both have brought out the assumption that

transformational leaders are able to inspire followers so that they transcend to their own self-interests and capabilities of having a profound and extraordinary effect on followers. This theory therefore supports the study variables including employee empowerment and ethical practice since Transformational leaders seek to empower their employees, motivate them and encourage them to act ethically with the overall effect being improved firm performance.

Trait Theory

The Trait theory was introduced by Gordon Allport in 1936. The theory assumes that people inherit certain qualities and traits that make them better suited for leadership. This theory often identify particular personality or behavioral characteristics exhibited by leaders. According to Cherry, (2016) leaders have certain innate traits which are very often recurring patterns of thoughts and behavior that enables them to lead. The traits include assertiveness, dependability, persistence and adaptability. The trait theory not only provides the valuable and constructive information about leadership but also can be applied by individuals at any level and in all types of organizations.

Traits are the distinctive qualities or exclusive set of characteristics, especially of one’s individual specific nature. Traits are not fixed but they are acting as the foundation tendencies which remain stable transversely the life span, but individualistic characteristic behavior can change significantly through adaptive process. The most common way to describe people is to list these traits or qualities possessed by them. For example, friendliness, social, honesty, perseverance, submissiveness and dominance. Gatewood, (2008) considered traits as a permanent dimension such as sociality, independence, and achievement demands which explain the consistency of human behaviors in various. According to Miller, (2009), the trait theory shows how leaders and organization can use different traits as an aid in strategic leadership. The trait theory postulates that leaders and managers become aware of their strengths and weaknesses. The trait theory has led to a revolution in management science and is relevant to the research as organizations are seen to be successful because of leaders or managers who give an organization a strategic, sustainable and successful edge in the business world.

Conceptual Framework

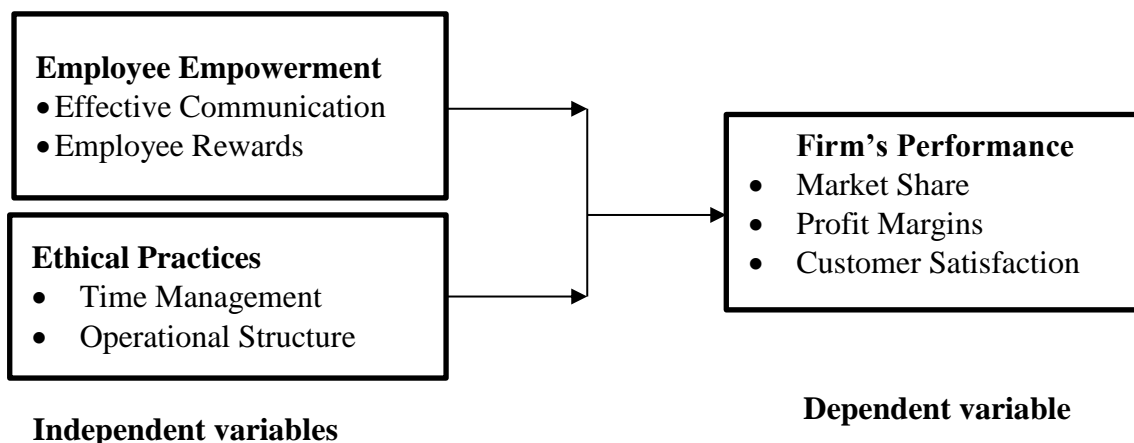


Figure 1: Conceptual Framework

Employee Empowerment

In view of rapidly changing business environment, companies must devote greater effort to enhance their capabilities. Organizations must not therefore forget that their performance depends on committed, highly motivated, satisfied and innovative employees. Empowerment as a demonstration of building, creating and expanding power by working with others, which is called "intuitive empowerment" and has the ability to influence their own behavior, (Barroso Castro, Villegas Perinan, & Casillas Bueno, 2018).

An important aspect for any organization to empower employees is to seek a high level of employee involvement, flexibility, and market response (Aydogmus, Camgoz, Ergeneli, & Ekmekci, 2018). Empowerment and its organizational effects both of the scholars and staff members get enough attention in the past decade (Ali, & Ali, 2018). Psychological empowerment, is consider as "increased intrinsic task motivation", is shown to show people and to improve the performance of individual works (Hechanova, Regina, Alampay, & Franco, 2016).

Ethical Practices

According to Kleinhempel, (2009) ethics stimulate ethical conduct within organizations. This assists employees in acting morally responsible and brings satisfaction toward their jobs. Ethical values play a significance role for organizations as it creates competitive advantage and its absence threatens growth. Ethical behaviour is acting in ways that are consistent with one's personal values and the commonly held values of the organization and society (Naran, 2018). Unethical behaviour by employees can affect individuals, work teams, and even the organization (Andrews, 2019). Organizations thus depend on individuals to act ethically.

Ethical behaviour in organizations is necessary because business can become unethical, and there are plenty of evidence as in today on unethical company practices. "Irrespective of the demands and pressures upon every organization, by virtue of its existence it is bound to be ethical, for at least two reasons: one, because whatever the business does affects its stakeholders and two, because every moment of action has paths of ethical as well as unethical paths wherein the existence of the business is justified by ethical alternatives it responsibly chooses" (Murphy, 2018).

When the ethical climate is not clear and positive, ethical dilemmas will often result in unethical behavior. In such instances, an organization's culture also can predispose its members to behave unethically. For example, recent research has found a relationship between organizations with a history of violating the law and continued illegal behavior. (Baucus & Near, 2017). Thus, some organizations have a culture that reinforces illegal activity. In addition, some firms are known to selectively recruit and promote employees who have personal values consistent with illegal behavior; firms also may socialize employees to engage in illegal acts as a part of their normal. Job duties, pressure, opportunity and predisposition can all be due to unethical activities, however, organizations must still take a proactive stance to promote ethical climate. According to McKay, Nitsch, and Peters (2015), ethical behavior affects the principles which guide the governance of the cooperation. Positive ethical behavior will definitely lead to acceptance of positive, transparent and nondiscriminatory corporate governance principles.

Firm's Performance

According to Carter, (2017), firm performance involves activities that are undertaken to achieve organizational goals, monitor progress towards the set goals and adjust towards achieving those goals more effectively and efficiently. Organizational performance is mainly measured using quality, cost effectiveness, productivity, timeliness and flexibility. Quality aspect reduces costs throughout the organization in processes of making products and services. This results in positive quality perception and cost efficiency for products and services offered by the organization.

Richard et al (2019) suggests that organizational performance encompasses three specific areas of firm outcomes which include, financial performance i.e. profits, return on assets, return on investment, product market performance i.e. sales, market share and shareholder return i.e. total shareholder return, economic value added.

In recent years, many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as financial performance, customer service, social responsibility and employee stewardship. Performance Contracting is also used to measure performance since it defines expectations and competencies required to achieve results. Performance Contracting also identifies the measures used to monitor, review and assess performance (Amstrong 2015).

Empirical Review

In a study carried out on the impact of employee empowerment on job satisfaction at the University of Peshawar, Pakistan by Elnaga, *et al.*, (2014), The researcher found a gap where managers of different companies apply some of the concepts of employee involvement. However, they do not involve employees in the decision-making process in order to increase the satisfaction of employees from the job which they do. The study filled a gap by determining the how empowerment and job satisfaction relate the study therefore found out that empowerment is one of the most effective ways of helping employees to utilize their creative abilities and improve their performance within the organization they work for. In order to create effective employee empowerment, it is a requirement that clear communication channels by management is invested in increased amounts of time through communicating to employees and allowing for feedback.

Nadeem, Zia-uD-din, Riaz, Shafique and sattar (2018) researched on the effect of employee's empowerment on organizational performance. The study results show that employee's empowerment explained a significant relation with organizational performance also with the mediator variable that is motivation. Convenience sampling is used as the sampling strategy. This survey is based on questionnaire and data is collected from 150 managers of Hotel sector organizations located in Faisalabad. To analyses the data, SPSS version 23.0 is used. To check the relationship between the variables correlation analysis is used and to checks the effect between variables linear regression analysis is used. Thus, all the hypotheses showed significant results.

Surdulli, Bytyqi, and Zeqiri (2016) researched on employee empowerment and involvement within post and telecommunication of Kosova. The quantitative research findings showed moderate to low level of employee empowerment and employee involvement. The challenge is how PTK will improve employee empowerment and involvement within its structure. This will help in managing the transition from a monopolistic organizational culture to an open

market one with strong focus on time-to-market, flexibility, innovation, customer centricity and developing competitive advantages and distinctive competences.

Further, Chacha, (2016) carried out a study on the impact of employee's empowerment on organization performance in agencies involved in government procurement services. The researcher found out that a training of employees to acquire new skills and enhance their competencies should focus on their job descriptions. The researcher noted that training impacted positively on job performance. The researcher found out that there is little evidence of empowerment on the basis of employee training, employee access to information and employee's inputs and feedback of their area of work and job related in the public sector are addressed. Therefore, the study bridged the gap by investigating the effect of empowerment under employee training, employees 'inputs and control and accessibility of information as it influences the organizational performance of the public sector

According to Boussalem, (2015), studied the relationship between employee empowerment and performance the researcher found out that when employees are autonomous, they have the know-how they impact on work performance and excellence This study investigated how empowerment of the employees within organization have identified empowerment as a factor that serves, coaches, mentors and, monitoring others. However, despite abundant research studies that have been done the study found a gap that there is little evidence that on the basis of employee training, access to information, employees input and feedback is seen on the area of work and job relation of employees are addressed within the organization.

Vieira (2016) conducted a research study on the effects of ethical behavior on a firm's financial profitability. Corporate social responsibility has been used as an indicator of ethical performance. After analyzing the financial indicators ROA and PM, from a sample of the twenty biggest civil construction companies in Portugal, between 2007 and 2011, we conclude that ROA is significantly related to a firm's ethical performance. However, we did not find any statistical evidence that relates PM to ethical performance. Although the scores are very low on all CSR indexes, we can conclude that companies, who are exporting, seem to be more concerned with environmental issue than ethical issues. The top management in the civil construction should take a deeper look into their CSR activities, and should not neglect the impact social inactivity may have on their financial performance.

In a study carried out by Msanze, (2013) on the impact of employee ethical conduct on organization performance, the case of Dar es salaam Water Services Company in Tanzania, the researcher noted that employee's ethical conduct is the crucial part for the success of the organization. The study revealed that organizations have great challenges concerning ethical issues. The study also concluded that organization performance is an interplay of several variables and that employee's ethical conduct plays a role in performance but not the major role. Employees may agree to be co-operative and participate in ethical conduct improvement programs. They may at some stage become involved in these disciplines, thus giving more of themselves in terms of intellectual and affective contribution, however, requires a higher level of personal involvement.

Oladele (2017) researched on the effects of ethical behaviour on organizational performance: evidence from three service organizations in Lagos, Nigeria. Many modern organizations are today faced with numerous challenges such as illegal and unethical business practices in a number of business transactions. Most organizations have come up with codes of ethics in dealing with ethical issues challenging them. Code of ethics is the set of moral principles used by an organization to steer the conduct of the organization, and employees in all their

business activities both internally and externally. The paper uses a quantitative method with two hypotheses stated in the null form. Results were analyzed with the aid of appropriate test statistics. Findings revealed that ethical behaviour has effects on the performance of an organization and that good ethical behaviour has a positive correlation with organizational performance. Suitable policy recommendations were offered which decision makers in business organizations and government functionaries will find highly useful

Yatich and Musebe (2017) conducted an assessment of ethical behaviour on organizational performance. The main objective of the study was to assess the influence of ethical behaviour on organizational performance in the Kenyan Public Health Sector. The study was carried out in Baringo District Hospital Kabarnet, Rift-Valley Province. A mixed approach method was used with a survey research design. It applied a census inquiry on all the staff in the facility and 174 returned their questionnaires. Questionnaires were used for primary data collection. Data analysis was carried out using descriptive statistics and content analysis for ordinal and nominal data, respectively. Data presentation was done using tables, frequencies and percentages. The results showed that neglect, absenteeism, poor time management, corruption, disputes, and dishonest were rife in the sector. It was recommended that training of staff, government support and strict enforcement of the Public Officer Ethics Act (2003) be duly implemented to curb these vices. The office of the Ombudsman should put in place mechanisms that enable clients or patients to report any act of malpractice either via social media or text messages for prompt action.

RESEARCH METHODOLOGY

The study will use a descriptive design to examine the role of strategic leadership and firm performance. This design is chosen because it allows a large amount of data to be collected and analyzed within the study period. This study will focus on four major telecommunication firms operating in Kenya which are; Safaricom Limited, Airtel Limited, Telkom Kenya and Equitel (Finserve) Limited. The study will focus on managerial staffs who are involved in strategic leadership practices of the firm. The four mobile telecommunication companies firms have a total of 178 management staff based at the head office under various departments marketing managers, sales managers, regulatory/corporate affairs managers, human resource manager and finance managers. This population will be chosen because they are the ones well informed with strategic leadership in the firm and thus they are the most conversant with the study topic.

The study used Krejcie and Morgan (1970) formula to determine study's sample size. Using the formula, the sample size used 123 respondents which were 69.1% of the target population. The study selected the sample through stratified random sampling. Stratification was based on mobile telecommunication company. The stratified random sampling was chosen due to the sample not being homogeneous and thus ensured equal representation of all the respondents without biasness. Stratified sampling is sampling technique in which the researcher divides the entire target population into different subgroups or strata and then chose the final subjects proportionately from the different strata (Kothari, 2017).

This study used a structured questionnaire as data collection tool. The questionnaires will be self-administered to the respondents by the researcher. The study used the drop and pick later technique. Quantitative data collected will be analysed by the use of descriptive statistics using SPSS (Version 23). Descriptive statistics such as frequencies, percentage, means and standard deviations will be used to analyses the data. Data will be processed using the Statistical Package for Social Science (SPSS) computer software version 23.0. Multiple

regressions will be done to establish the relationship between strategic leadership and performance of mobile telecommunications companies in Kenya. Data will be presented using tables, and figures.

DATA ANALYSIS AND INTERPRETATION

Out of these, 101 were completely filled up to the researcher. This was equivalent to a response rate of 82%. The response rate was in line with Mugenda and Mugenda (2014) who revealed that response rates of over 70% are sufficient for analysis and interpretation of the findings.

Descriptive Statistics

Employee Empowerment

The study also sought to establish the respondents' level of agreement with various statements regarding employee empowerment and its effect on firm performance in telecommunication companies Kenya. The results obtained are as depicted in Table 1

Table 1: Employee Empowerment

Statements	SD	D	N	A	SA	Mean	Std Dev
The organization trains its employees to enable them implement its strategic plan	2.8%	3.1%	6.3%	45.8%	42.0%	4.5356	0.3424
Employees set goals for personal improvement	4.1%	5.2%	7.6%	42%	41.1%	4.6489	0.5123
Employees are willing to share best practices for the benefit of the organization	2.1%	11.4%	16.3%	41.4%	28.8%	3.9533	0.7854
The organization maintains a skills employees	3.9%	4.2%	10.6%	37.5%	43.8%	3.8812	0.7945
The organization empowers employees to seek new opportunities	9.0%	7.0%	30.0%	35.0%	19.0%	3.6812	0.8215
The organization employees are encouraged to implement new ideas	5.0%	5.0%	41.0%	36.0%	13.0%	3.4718	0.9618
Aggregate Score						4.0287	0.7029

Majority of the respondents agreed with most of the statements regarding employee empowerment and its firm enactment. The results in Table 4.4 indicate that, 87.8% of the respondents' nodes, 6.3% strongly were neutral while 5.9% of them disagreed that the organization trains its employees to enable them implement its strategic plan. These corresponded to general agreement with the statement as shown by a mean score of 4.5356. The measure of dispersion around the mean of the statements was 0.3424 indicating the

responses variation. Also, 83.1% of the respondents agreed that the employees set goals for personal improvement, this generated an overall agreement with the statement as shown by a mean score of 4.6489. The measure of dispersion around the mean of the statements was 0.5123 indicating the responses variation. Additionally, Majority (70.2%) of the respondents agreed that Employees are willing to share best practices for the benefit of the society as revealed by a mean score of 3.9533. The measure of dispersion around the mean of the statements was 0.7854 indicating the responses variation. According to Table 4.4, 43.8% of the respondents strongly agreed, 37.5% of them agreed, 10.6% were neutral and 8.1% disagreed that the organization maintains a skills employees. The measure of dispersion around the mean of the statements was 0.7945 indicating the responses variation. These results in overall contributed to an agreement as revealed by a mean score of 3.8812. The plaintiffs further agreed that the organization empowers employees to seek new opportunities as shown by a mean of 3.6812. The measure of dispersion around the mean of the statements was 0.8215 indicating the responses variation. Lastly, the plaintiffs agreed with the declaration that the organization employees are encouraged to implement new ideas as shown by mean of 3.4718. The measure of dispersion around the mean of the statements was 0.9618 indicating the responses variation. Further, Chacha, (2016) carried out a study on the impact of employee's empowerment on organization performance in agencies involved in government procurement services. The researcher results are tandem to the current study where the study found out that a training of employees to acquire new skills and enhance their competencies should focus on their job descriptions.

Ethical Practices

The respondents using various statements were required to give the effect of ethical practices on firm performance.

Table 2: Ethical practices

Statements	SD	D	N	A	SA	Mean	Std Dev
Employees prepare work plans and performance targets	4.2%	6.3%	9.7%	44.2%	35.6%	4.0763	0.9971
Employees performance appraisal system is fair	3.71%	8.76%	16.9%	43.83%	26.8%	4.1231	0.9848
Employees are fairly and adequately compensated achieving their targets	3.7%	6.8%	13.4%	40.7%	35.4%	3.9030	0.8816
The organization recognizes group efforts and rewards them appropriately	7.8%	11.2%	13.6%	41%	26.4%	3.8100	0.8200
Forums are organized to share learned information	5.0%	5.0%	13.0%	36.0%	41.0%	3.4729	0.9622

Regular reviews are done on the success and failure of lessons learned	6.0%	5.0%	29.0%	44.0%	16.0%	3.5927	1.0203
Aggregate Score						3.8297	0.9443

From the results shown in Table 2, majority (79.8%) of the respondents agreed, 9.7% of them indicated neutrality and 10.5% disagreed that Employees prepare work plans and performance targets as shown by a mean score of 4.0763. The responses were varied as measured by standard deviation of 0.9971. 70.63% of the respondents agreed, 16.9% of them showed neutrality and 12.47% of them disagreed that Employees performance appraisal system is fair as shown by a mean score of 4.1231. The responses were varied as measured by standard deviation of 0.9848. Further, 76.1% of the respondents agreed and 13.4% were neutral while 10.5% disagreed that Employees are fairly and adequately compensated achieving their targets. The resulting mean score was 3.9030 which show general agreement with the statement. The responses were wide-ranged as measured by standard deviation of 0.8816. Table 4.2 also shows majority (67.4%) the respondents agreed, 13.6% indicated neutrality and 19% of them disagreed that the organization recognizes group efforts and rewards them appropriately. The results generally implied agreement with the statement as shown by a mean score of 3.8100. The responses were varied as measured by standard deviation of 0.8200. Also, the respondents agreed that forums are organized to share learned information as shown by a mean of 3.4729 and standard deviation of 0.9622. Concisely the study agreed that Regular reviews are done on the success and failure of lessons learned as shown by a mean of 3.5927 and standard deviation of 1.0203. The study results are in line with Kleinhempel, (2009) who argued that ethics stimulate ethical conduct within organizations. This assists employees in acting morally responsible and brings satisfaction toward their jobs. Ethical values play a significance role for organizations as it creates competitive advantage and its absence threatens growth.

Inferential Analysis

Correlation Analysis

Table 3: Summary of Pearson’s Correlations

Variables		Employee Empowerment	Ethical Practices	Strategic Intent
Employee Empowerment				
Empowerment	Pearson Correlation	1		
	Sig. (2-tailed)			
Ethical Practices	Pearson Correlation	.550**	1	
	Sig. (2-tailed)	0.01		
Strategic Intent	Pearson Correlation	.580**	.434**	1
	Sig. (2-tailed)	0	0.01	

The correlation details shown in table 3 reviles that the relationship between each variable had an accuracy of 95%. The correlation analysis was to find out the connection

between employees empowerment and firms performance, person correlation coefficient calculated and tested in a percentage of 5% level. The correlation similarity analysis between ethical practices and firms performance, the pear son correlation calculated and tested at 5% significant level. The recorded results shows that there is positive relationship ($r=0.550$) between ethical practices and firm performance. In addition the researcher concludes that the relationship has statistical significant at 5% level ($p=0.000, <0.05$). The correlation analysis found out that the relationship between strategic intent and firm performance, Pearson correlation coefficient calculated and after that tested a significant level. This indicates a positive relationship ($r= 0.580$) between strategic intent and the firm performance. In addition the study made out conclusion that the relationship was statistically significant at 5% ($p= 0.000, <0.05$)

Regression Analysis

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.908 ^a	.825	.789	0.752

a Predictors: (Constant), employee empowerment, ethical practices, strategic intent, learning culture.

The variables that were studied (employee empowerment, ethical practices, strategic intent, learning culture) explain 82.5% of the firm performance at telecommunication companies in Kenya as represented by the R^2 . This therefore means that the four variables (employee empowerment, ethical practices, and strategic intent, learning culture) contribute 82.5% to the performance at telecommunication companies in Kenya while other aspects not studied in this research contribute 17.5% of performance at telecommunication companies in Kenya. Before any other inferential statistics are conducted, an ANOVA should be carried out. It helps in determining whether the overall model is significant. Table 4.8 shows the results in this regard.

Table 5: ANOVA Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.928	4	4.232	24.519	.032
	Residual	16.517	96	0.1726		
	Total	33.445	100			

The researcher combined all the study variables after which an Analysis of Variance was conducted. Table 5 shows the findings the F calculated at 5% Level of significance was 22.814. Since F calculated is greater than the F critical (at 22.814, F-critical is 2.50), this shows that the overall model was significant. The ANOVA results reveal that there is a significant relationship between employee empowerment, ethical practices, strategic intent and learning culture with firm performance of telecommunication companies in Kenya. After

determining the overall fitness of the model, a model summary was extracted showing the values of R square. Table 4.9 shows the results obtained.

Table 6: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.444	0.185		3.31566	0.000
Employee empowerment	0.338	0.151	0.615	2.23841	0.001
Ethical practices	0.362	0.183	0.151	1.97814	0.004

As per the SPSS generated table above, the equation:

$$Y = 1.444 + 0.338X_1 + 0.362X_2.$$

The regression equation above has established that holding all factors (employee empowerment, ethical practices,) constant at zero firm performance of telecommunication companies in Kenya was 1.444. The corresponding p-value was 0.000 which shows the dependent variable was significant. The regression model as well shows that employee empowerment are positively related to firm performance. The regression coefficient for this was obtained to be 0.338 with a significant value of 0.001 less than 0.05 indicating a significant role of employee empowerment on firm performance. Thus, a unit growth in employee empowerment would lead to a 0.338 times increase in the firm performance. The findings are tandem to that of Enaga, (2016) who suggest that in view of rapidly changing business environment, companies must devote greater effort to enhance their capabilities. Organizations must not therefore forget that their performance depends on committed, highly motivated, satisfied and innovative employees

The results also show that the performance of telecommunication companies in Kenya is positive and significantly related to ethical practices. This is indicated by a regression coefficient of 0.362 which is a positive coefficient and a p-value of 0.004 less than 0.05 showing the significance of the relationship. Based on the coefficient, it is evident that a unit increase in ethical practices would lead to 0.362 times increase in the firm performance. The research findings corresponds to that of Msanze (2013) who opines that employees in acting morally responsible and brings satisfaction toward their jobs. Ethical values play a significance role for organizations as it creates competitive advantage and its absence threatens growth.

Conclusions

The study concluded that employee empowerment contributes to the firm performance at the of telecommunication companies in Kenya. In regard to employee empowerment, the regression coefficients of the study show that it has a significant influence on performance in of telecommunication companies in Kenya. This implies that increasing levels of employee empowerment by a unit would increase the levels of performance of telecommunication

companies in Kenya. Therefore, employee empowerment plays a key role in performance in of telecommunication companies in Kenya. As such, there is a strong positive relationship between employee empowerment and performance of telecommunication companies in Kenya

In regard to ethical practices, the regression coefficients of the study show that it has a significant effect on performance of telecommunication companies in Kenya. This implies that increasing levels of ethical practices by a unit would increase the performance of telecommunication companies in Kenya. This shows that ethical practices has a positive influence on performance in of telecommunication companies in Kenya. Study further concludes that ethical practices has a strong positive significant effect on the performance in of telecommunication companies in Kenya. It is deducible that ethical practices contributes to the performance of telecommunication companies in Kenya.

Recommendations for policy and practice

Based on the findings it emerged that employee empowerment are essential for performance of telecommunication companies in Kenya. The study thus recommends that the organization should emphasize and prioritize on the empowerment of the employees because it is the most effective ways of helping employees to utilize their creative abilities and improve their performance within the organization.

The study further recommends that there is need to clearly understand the departmental ethical values because it adds to corporate values there is need to integrate ethical practices and competencies through an increased and shared understanding of ethics in the organization. The organization decision makers should set use of ethical conducts as priority towards improving organization performance by setting adequate resources and commitment to achieve this ends.

Recommendations for Further Research

The study has investigated the effect of strategic leadership on firm performance in Safaricom limited and established that employee empowerment, ethical practices, strategic intent and learning culture affects the firm performance. There are however many other companies in Kenya whose management and areas of operations are either similar or different from those of Telecommunication Company due to differences in the focus regions and operating settings all together. This warrants the need for another study which would ensure generalization of the study findings for all the private firms in Kenya and hence pave way for new policies and guidelines in strategic leadership. Also there is need for another study to unravel other factors that can help to improve the performance of telecommunication companies in Kenya. The study therefore recommends another study be done with an aim to investigate the effect of strategic leadership in other private firms in Kenya. Concisely, the findings showed that 82.5 % of the strategic leadership success is explained by the four variables that is employee empowerment, ethical practices, strategic intent and learning culture and the remaining 17.5 % can be accounted by the standard error.

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